

United States District Court  
Southern District of Texas  
FILED

NOV 30 2006

Michael N. Milby, Clerk

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
GALVESTON DIVISION

In re:

RICHARD E. SURGENT,

Debtor

U.S. AMERICAN RESOURCES, INC.,

Plaintiff,

v.

ROBBYE R. WALDRON, Chapter 7  
Trustee of RICHARD E. SURGENT;  
RICHARD E. SURGENT; VENTURE  
CHARTERS ASSOCIATION, INC., as  
Trustee of GRACE DEVELOPMENT  
COMPANY, a trust; GRACE  
DEVELOPMENT ASSOCIATES, S.A.;  
METAL PROCESSING GROUP, LLC;  
MELVIN C. BANGLE; JOHN EDWARD  
STEVENS; JOHN W. HOGLE, SR.; and  
CYNTHIA SHEPHARD,

Defendants

Case No. 03-80806-H3-7

Adversary No. 06-08035 ✓

**AMENDED ORDER AWARDING ESCROW DEPOSIT TO U. S. AMERICAN  
RESOURCES, INC. AND ORDERING GRACE DEVELOPMENT COMPANY,  
ITS OFFICERS, AGENTS, TRUSTEES AND ASSIGNS TO COMPLY WITH  
PRIOR ORDERS OF THIS COURT**

On this day came on to be heard the Motion for Order to Show Cause (1) Why Escrow Deposit Should Not Be Immediately Returned to USAR and (2) Why Grace Development Company Should Not Be Made to Comply With This Court's Prior Order. After reviewing the pleadings and the evidence, it is

**ORDERED** that U.S. American Resources, Inc. is entitled to the Escrow Deposit of \$200,000.00 plus interest held by Capital Title Agency, Inc. and Capital Title

1008797-1:USAR:0001

23

Company is instructed to immediately return the \$200,000.00 plus interest to U. S. American Resources, Inc. It is

**FURTHER ORDERED** that Grace Development Company, its officers, agents, trustees and assigns have no interest in the property awarded to Robbye R. Waldron, Trustee of the estate of Richard Edmund Surgent ("Waldron") by Order Granting Summary Judgment entered October 17, 2006, a copy of which is attached to this Order. It is

**FURTHER ORDERED** that Grace Development Company, its officers, agents, trustees and assigns shall not interfere with the ownership of the property, or represent that they own the property awarded to Waldron. It is

**FURTHER ORDERED** that all legal proceedings initiated by Grace Development Company, its officers, agents, trustees and assigns that involve, directly or indirectly, the property of the estate of Richard E. Surgent shall be initiated solely in this Court. It is

**FURTHER ORDERED** failure to obey this order shall result in the imposition of appropriate sanctions.

DATED this \_\_\_\_ day of NOV 30 2006, 2006.



Honorable Letitia Z. Clark  
United States Bankruptcy Judge

APPROVED:

/s/ Jonathan D. Pauerstein

Jonathan D. Pauerstein  
Loeffler Tuggey Pauerstein Rosenthal, LLP  
755 East Mulberry, Suite 200  
San Antonio, Texas 78212  
Telephone (210) 354-4300  
Telecopier (210) 354-4034

/s/ David Askanase

David Askanase

Hughes, Watters and Askanase, L.L.P.

Three Allen Center

339 Clay, 29<sup>th</sup> Floor

Houston, Texas 77002

Telephone (713) 759-0818

Telecopier (713) 759-6834

**Co-Counsels for Plaintiff**

10/

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
GALVESTON DIVISION

United States Court  
Southern District of Texas  
ENTERED

OCT 17 2006

IN RE:

RICHARD EDMUND SURGENT,

Debtor.

§  
§  
§  
§  
§

Case No. 03-80806-G3-7

Michael N. Milby, Clerk of Court

ROBBYE R. WALDRON, TRUSTEE

Plaintiff,

v.

GRACE DEVELOPMENT ASSOCIATES  
SA, GRACE DEVELOPMENT COMPANY,  
(TRUST) ET AL.,

Defendants.

§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§

Adv. Proceeding No. 04-8012 ✓

**ORDER GRANTING SUMMARY JUDGMENT**

The Court has considered the Motion for Summary Judgment filed by Robbye Waldron, chapter 7 trustee (the "Trustee"), the responses and arguments thereto. The Court finds that the Trustee is entitled to summary judgment. Accordingly, it is

**ORDERED THAT:**

1. The following mining claims/patents located in Yavapai County, Arizona are property of the estate:

Claim Name	Patent No.	Patent Issue Date	Mineral Survey	Mineral Certificate	Record Date	Book	Page
Niagara	18634	10-06-1891	880	191	12-19-1891	30	484
Ohio	27181	06-23-1896	1190	288	03-18-1897	41	107
Golden Eagle	27227	07-03-1896	1191	289	03-18-1897	41	100
Rich Quartz	27182	06-23-1896	1192	291	03-18-1897	41	97
Incline	27228	07-03-1896	1193	290	03-18-1897	41	94
Excelcior or Excelsior	21242	05-11-1892	921	218	02-14-1894	33	620
Why Not	18636	10-06-1891	882	193	12-19-1891	30	493

115

2. Grace Development Associates SA and Grace Development Company, a business trust organization under the laws of the State of Nevada shall immediately pay the sum of \$128,500 to the Trustee. Unpaid amounts shall bear interest ~~at the federal judgment rate until~~ *from Oct. 28, 2006 at* *the rate of 5.03%* until paid. *zc*

3. Grace Development Associates SA and Grace Development Company, its principals, agents, officers and trustees shall provide within 15 days to the Trustee an accounting of all proceeds received from any property or mineral interests/patents received from the debtor at any time along with a cashier's check for such amounts. Unpaid amounts shall bear interest ~~at the federal judgment rate until paid.~~ *from Oct. 28, 2006 at the rate of 5.03%* *zc*

4. Grace Development Associates SA and Grace Development Company, its principals, agents, officers and trustees are prohibited from taking any action to interfere with or exercise control over any property belonging to the bankruptcy estate, including but not limited to the mineral interests/patents referenced in paragraph 1 above.

Signed this 17 day of Oct, 2006.

*Letitia Z. Clark*  
\_\_\_\_\_  
THE HONORABLE LETITIA Z. CLARK,  
UNITED STATES BANKRUPTCY JUDGE